

SENATE BILL 2623

By Crowe

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 6, Part 3, relative to exemption for
transactions involving tangible personal property
acquired by golf course operators.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by
adding the following language as a new, appropriately designated section:

67-6-3__.

(a) For purposes of this section, "golf course operator" means any person,
corporation, or other business entity that owns or leases land or facilities on which a golf
course or resort is located, or principally engages in the business of operating a golf
course or resort, where a charge is made for the privilege of using the golf course or
resort.

(b) There is exempt from this chapter any sales or use tax upon any of the
following tangible personal property sold, leased, used, stored, consumed or distributed
to any golf course operator, if the requirements of this section are met:

(1) Golf carts for use by patrons of the golfing facilities, golf course or
resort;

(2) Any vehicle used for golf course or resort maintenance, including any
trailer used to transport mowing and lawn care equipment, when the vehicle does
not travel on public roads in excess of one (1) mile and the property on both
sides of the public road is owned or leased by the golf course or resort;

(3) Any appliance used directly and primarily for the purpose of producing or maintaining the premises of the golf course or resort, but excluding any tangible personal property that becomes real property when erected or installed;

(4) Mowing and lawn care equipment and tools used for maintaining the premises of the golf course or resort, including equipment and tools used to spread or plant lawn care products described in subdivision (b)(7);

(5) Systems for weed control and irrigation;

(6) Replacement parts or labor relative to the repair of the tangible personal property described in subdivisions (a)(1) - (5);

(7) Lawn care products, including:

(A) Fertilizer, manure, sewage sludge, chemicals, or other compounds containing nitrogen or phosphorous which are applied to, and used to aid in the growth and development of turf grass, seeds, seedlings, trees, or plant growth;

(B) Seeds, seedlings, plants grown from seed and liners or cuttings that will be located on a golf course or resort, and any containers used to aid in the growth of the seeds, seedlings, and plants; and

(C) Pesticides that are sold for the purpose of aiding in the maintenance of turf grass, trees or plants located on a golf course or resort; and

(8) Electricity, natural gas and liquefied gas, including, but not limited to, propane and butane used directly in the development or maintenance of a golf course or resort.

(c) To qualify for the exemption, a golf course operator shall submit an application on a form and in a manner prescribed by the commissioner, to be accompanied by any information requested by the commissioner.

(d) The commissioner shall review the application and if approved, the commissioner shall issue a certificate to the golf course operator declaring that the operator is entitled to the exemption; provided, that the exemption authority shall be valid for a period of five (5) years, or until the operator is no longer operating within the scope of its original application. The golf course operator shall revise and resubmit such application for approval upon the expiration of the exemption.

(e) Persons who have obtained an exemption certificate issued by the commissioner shall provide their vendors with a copy of the certificate or a fully completed streamlined sales tax certificate of exemption, which shall include the exemption account number included on the certificate.

(f) The operator shall maintain a copy of the exemption in its records to evidence authority to purchase tangible personal property listed in subsection (b) exempt from tax.

SECTION 2. This act shall take effect July 1, 2012, the public welfare requiring it.